



MISSISSIPPI STATE DEPARTMENT OF HEALTH

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Invitation for Bid – RFX # 3160004854

Infant Formula Rebate

AMENDMENT #2

Procurement Questions and Answers

	IFB Section, Page	Question	Answer
1.	Section 1.1 - Page 1	<p>a. If a new Contractor is awarded the contract, please describe in detail the State's transition plan.</p> <p>b. Please confirm that if a participant comes to a clinic in August to receive three months of infant formula benefits, they will receive August benefits for the current contract holder's formula and September and October's infant formula benefits for the new contract holder's formula.</p>	<p>MSDH WIC Program confirms that if the rebate contract is awarded to another contractor, MSDH will only issue Mead Johnson formula for the benefit participation month of August and issue the new contractor's formula for the benefit participation of September 2022.</p> <p>Benefits are issued on a rolling month basis (i.e. First Date To Use (FDTU) 1/24/2021, Last Date To Use (LDTU) 2/23/2021) within the Management Information System (MIS). A local agency can issue monthly, bi-monthly, or tri-monthly benefits to a participant. The State Office MIS team can input the new contractor's formula for local agencies to be able to issue for 9/1/2022.</p> <p>Due to the current contract ending on 8/31/2022, the current formula is set to expire and will not be able to be issued out of the system past 8/31/2022, unless there is a late pickup for the participation month of August. MSDH WIC will issue benefits for Mead Johnson standard formulas for all benefits issued within the benefit participation month of August and as such will request rebates on these formula at the current contract rate. Please note, that due to the benefit's rolling</p>

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			<p>month cycle; if a participant's FDTU is in August, it is a great possibility that the formula for the current rebate contract will not be redeemed until September.</p> <p>If the current vendor is the winning bidder for this solicitation process, billing will continue as usual through August, and the new rates will apply to the September billing cycle.</p>
2.	Section 1.1 - Page 1	<p>a. Please confirm that amendments will be emailed to participating bidders.</p> <p>b. If not confirmed, please verify if a participating bidder can subscribe for updates to the IFB opportunity through either the MSDH website or through the MAGIC system.</p> <p>c. To allow for appropriate time to compile and/or schedule sufficient time to submit a bid, please confirm that at least ten (10) business days will be allotted between any final published amendment and date the IFB is due.</p>	<p>a. Amendments shall be sent to all prospective bidders known to have received an Invitation for Bids by email.</p> <p>b. See a.</p> <p>c. Amendments will be distributed within a reasonable time to allow prospective bidders to consider them in preparing their bids. If the time and date set for receipt of bids will not permit such preparation, such time shall be increased, to the extent possible, either in the amendment or, if necessary, by electronic means (e-mail), facsimile, or telephone and then confirmed in the amendment.</p>
3.	Section 1.2 - Page 2	The first paragraph on this page states that MSDH reserves the right to reject any bids if the offeror fails to provide the requested information and/or fails to satisfy MSDH that the offeror is properly qualified to carry out the obligations of the contract. If MSDH chooses to	Vendors submitting bids that are rejected will be notified of the rejection and the reason. The contract award will be made to vendor who meets the qualifications in accordance with the IFB.

	IFB Section, Page	Question	Answer
		disqualify the lowest bidder after the bid opening, please describe in detail the steps that would be followed to award a successful bidder.	
4.	Section 1.2 - Page 2	<p>According to the Federal Regulation §246.16a - "Infant formula and authorized foods cost containment" section (c)(ii) in a single-supplier competitive bid system for infant formula rebate contracts, the State Agency must "Publicly open and read all bids aloud on the day the bids are due."</p> <p>a. Please describe the method for securing the sealed bids between the bid due time and the bid opening time.</p> <p>b. Please advise how the State will comply with Federal Regulations and "publicly open" any bids submitted electronically.</p> <p>c. Please identify everyone who has access to bids once they have been submitted on-line, prior to the official bid opening deadline.</p> <p>d. Please explain the steps taken to restrict access to bids to those persons identified in response to the question above.</p>	<p>a. Bids are stored, sealed, in designated area, in the office of the Chief Procurement Officer.</p> <p>b. Any electronic bids will be opened on a computer during the bid opening.</p> <p>c. Online bids are not accessed until bid opening.</p> <p>d. See above.</p> <p>e. See above.</p> <p>f. Conference information will be provided in accordance with Section 3.7.</p> <p>g. Confirmed. Submission of electronic bids is optional. Written bids are required. See Sections 1.2 and 3.9 of the IFB</p>

	IFB Section, Page	Question	Answer
		<p>e. Please ensure that all bids, whether electronic or hard copy, will be opened live, on video during the public bid opening Zoom call.</p> <p>f. Please provide a back-up conference number in the event the Zoom link has any issues.</p> <p>g. Please confirm that a decision to forego submitting an electronic bid and only submitting a hard copy bid will not result in disqualification from the bidding process</p>	
5.	Section 1.2 - Page 4	If the bid addressee is not in attendance at the Visitor's Entrance of the Osborne Building when a bid is delivered, please verify that a receipt will be provided by the individual receiving bids, to ensure that the appropriate bid delivery date and time are accurately documented for the addressee's reference.	Someone will be in attendance at the Visitor's Entrance of the Osborne Building. The receptionist will write the date and time of delivery on the package and contact the Chief Procurement Officer to pick up the delivery.
6.	Section 2.1.5 - Page 9	Price increase timing is confidential and proprietary. Please revise this section to allow for notification at the same time as other customers, regardless of release timing.	Price is not confidential pursuant to Mississippi Code Annotated § 25-61-9. Trade secrets and confidential commercial or financial information. The remainder of this request is unclear and therefore denied.

	IFB Section, Page	Question	Answer
7.	Section 2.1.6 - Page 9	Pertaining to newly introduced formulas, please revise the language to state that the manufacturer must pay a rebate that yields the <i>same percent discount</i> rather than the same net cost per ounce	Denied.
8.	Section 2.1.6 - Page 10	Pertaining to an event that a manufacturer discontinues production of the primary contract formula brand, please revise to state that the manufacturer must pay a rebate that yields the same percent discount as opposed to the same net cost per ounce.	Denied.
9.	Section 2.1.7 - Page 10	Pertaining to an event that a manufacturer cannot provide the contract brand infant formula in any physical form, please revise the first sentence to state that the manufacturer must pay a rebate that yields the same percent discount as opposed to the same net cost per ounce.	Denied.
10.	Section 2.1.7 - Page 10	<p>a. Please confirm that the State would substitute an appropriate alternate brand of the Contractor's product line prior to issuing a non-contract brand.</p> <p>b. If not confirmed, please list all the reasons why the state will not substitute an appropriate alternate brand of the contracted infant formula prior to issuing a non-contract brand.</p>	<p>a. Denied.</p> <p>b. MS WIC is unable to confirm as requested by the manufacturer. MS WIC's decision on a substitution will be determined by the circumstances of the unavailability of the contract brand infant formula and the needs of participants and the MS WIC Program at the time of the unavailability, in order to enable MS WIC to meet its obligations under the federal regulations.</p>

	IFB Section, Page	Question	Answer
11.	Section 2.1.8 - Page 10	<p>a. Does the State authorize vendors doing more than 50% of their sales via the WIC program?</p> <p>b. How many WIC-only (above 50% vendors) are currently authorized in the state of Mississippi?</p>	<p>a. No.</p> <p>b. None.</p>
12.	Section 2.1.9 - Page 10	<p>a. Please remove the requirements to change a UPC code when unit size or reconstituted ounces change or consider revising this section to state that a manufacturer must follow the UPC code guidelines issued by GS1 (see http://www.gs1.org/1/gtinrules/) as to when manufacturers are required to change UPC codes. Since WIC redemptions are done through retailers, manufacturers also need to take into consideration retailers' restrictions/requirements for changing UPC codes which may not align with the State's requirements in this section.</p>	No changes will be made to this section.
13.	Section 2.2.4 - Page 11	<p>The regulation cited at the end of the first paragraph on this page appears to reference a non-existent sub-section (i-iii). Please review and correct this citation to reference the appropriate section of the regulation if needed.</p>	The citation is updated to 246.16a(c)(7)(i-iii)
14.	Section 2.2.7- Page 11	<p>Please review the reference of 3.1.4 at the end of this section. The reference location</p>	Change reference to 2.1.5

	IFB Section, Page	Question	Answer
		does not appear to be present in the IFB documents. Please revise this reference to point to the correct section of the IFB.	
15.	Section 2.2.10 – Page 11	<p>a. How does MSDH ensure that every negotiable food benefit submitted by a vendor to the State for reimbursement was exchanged for authorized infant formulas.</p> <p>b. Does the State perform vendor inventory audits for infant formula?</p>	<p>a. It is the MSDH WIC policy as outlined in the vendor agreement that no refunds or exchanges for items paid with eWIC are allowed unless such exchange is for an identical food which is defective, spoiled, or outdated.</p> <p>b. Infant formula is not a mandatory item for inclusion in inventory audits. However, based on monitoring visits and participant complaints, infant formula may be included in inventory audits.</p>
16.	Section 2.2.11 – Page 11	<p>a. Does the State conduct retailer inventory audits for infant formula, other than compliance buys, to identify potential discrepancies between a store's purchasing record and their WIC transactions processed at the retailer's location and submitted for reimbursement.</p> <p>b. If the State does not conduct retailer inventory audits, please explain all the reasons why these are not done.</p> <p>c. If a discrepancy is found, what steps are taken to determine if reimbursement of rebate payment to the infant formula manufacturer is required?</p>	<p>a. Inventory audits are performed as part of the compliance investigation process.</p> <p>b. Inventory audits are performed as a part of the compliance investigation process.</p> <p>c. If the State Agency determines that the vendor has redeemed more of the specific foods than they can provide inventory documentation for, the State Agency will provide the vendor with one opportunity to provide any additional receipts or justification for the discrepancy. If the vendor is unable to fully justify the discrepancy, the State Agency will initiate appropriate vendor sanctions and claims.</p>
17.	Section 2.3 - Page 12	This section refers to the possibility for non-contract issuance due to religious eating patterns.	<p>a. No.</p> <p>b. N/A</p>

	IFB Section, Page	Question	Answer
		<p>a. Does the State currently issue any non-contract brands for religious or other purposes?</p> <p>b. If so, please provide the total number of participants that are currently receiving non-contract issued formulas.</p>	
18.	Section 2.5- Pages 12-13	<p>Please confirm the following:</p> <p>a. MSDH will not issue quantities of infant formula in excess of the monthly maximums prescribed by the federal law for each WIC participant.</p> <p>b. The Contractor will not be required to pay rebates on quantities of infant formula in excess of the federal monthly maximums.</p> <p>c. If rebates for quantities in excess of the federal monthly maximums are billed and rebated in error, the amounts associated with the over issuance and redemption will be reimbursed to the Contractor upon discovery.</p> <p>d. If any of the above statements are not confirmed, please provide a detailed</p>	<p>a. Confirmed.</p> <p>b. Contractor is expected to pay rebates on all infant formula issued in accordance with federal WIC regulations.</p> <p>c. MSDH will handle rebate disputes in accordance with section 2.6 or other provisions in the solicitation or in accordance with applicable WIC regulations, state, or federal law.</p> <p>d. See above.</p>

	IFB Section, Page	Question	Answer
		explanation of why such portion was not confirmed.	
19.	Section 2.5.2 - Page 13	<p>Pertaining to infant formula redemption for women and children in addition to infants:</p> <p>a. Please provide the number of women and children that are currently being issued rebated contract formula.</p> <p>b. Please confirm that the number of women and children being issued rebated contract formula will be routinely documented on the monthly infant formula rebate invoices issued by the State.</p>	<p>a. Please see Attachment A to Amendment #2, Table 1</p> <p>b. Denied.</p>
20.	Section 2.6.2 - Page 13	Please confirm that the 90-day time limit on disputes does not apply to disputes arising from fraud or other illegal activity that prevents the Contractor from being able to identify the incorrect billing earlier and the time limit begin when the fraud or illegal activity is detected?	a. MSDH will handle rebate disputes in accordance with section 2.6 or other provisions in the solicitation and/or in accordance with applicable WIC regulations, state, or federal law.
21.	Section 2.6.7 - Page 14	<p>a. Please confirm that the Contractor will be allowed to audit the records and policies and procedures relevant to the infant formula rebate process.</p> <p>b. Please confirm that the document and/or information regarding policies,</p>	<p>a. Contractor will be allowed to audit records in accordance with the contract and/or in accordance with any applicable WIC regulations, state, or federal law.</p> <p>b. Public Record Requests are processed in accordance with applicable state law.</p>

	IFB Section, Page	Question	Answer
		procedures, and operations of MSDH's WIC Program and infant formula monthly issuance allotments by brand and can size, infant age category, and feeding method will be provided based on State's open record laws.	
22.	Section 3.7 - Page 15	Please confirm that manufacturer, product name, unit size, reconstituted ounces per unit, lowest wholesale full truckload price per unit, rebate bid per unit, net price per unit, percent rebate, and total cost will be read aloud for each respective bidder during the public opening.	Yes, MSDH will read the Bid Sheet aloud.
23.	Section 3.9.1 - Page 16	<p>a. Does the State require a submission of the bidder's Wholesale price list to support information surrounding the Cost Component?</p> <p>b. If required, please specify the location where the price list should be included within the bid submission packet.</p>	<p>a. Confirmed.</p> <p>b. This information should be provided as a part of the Technical Component, separate from the Bid Sheet (Appendix B.)</p>
24.	Section 3.9.1.C.1 - Page 16	a. Please confirm that if an offeror is a wholly owned subsidiary of a publicly traded parent corporation, and as such does not prepare its own financial statements or reports, that the parent company's financial reports which include information about the offeror, and were	<p>a. Confirmed</p> <p>b. NA</p> <p>c. Confirmed</p> <p>d. Confirmed.</p>

	IFB Section, Page	Question	Answer
		<p>filed with the SEC, would be sufficient to meet the annual report requirement as stated in this section.</p> <p>b. If not confirmed, please list what additional information would need to be submitted to meet the State's requirements.</p> <p>c. Please confirm that it would be acceptable for an offeror to provide a link to the web location of its company's most recent financial statement for review.</p> <p>d. If a link is not acceptable, can a flash drive with a copy of the offeror's most recent financial statement be provided with the hard copy of the bid?</p>	
25.	Section 4 - Pages 19-20	Please verify that no specific documentation or re-statement is needed for an offeror to certify the statements and assurances in this section, and that completing, signing, and submitting a bid sheet "Appendix B" is the only requirement needed for these certifications and assurances within the bid submission.	<p>Vendor should complete, sign, and submit all forms as requested in the IFB.</p> <p>Please see the first sentence of Section 4 page 19 and submit Appendix B and B-1.</p>
26.	Section 10- Pages 21-22	a. For infants categorized as mostly breastfeeding, please provide the	<p>a. Please see Attachment A to Amendment #2, Table 2</p> <p>b. Please see Attachment A to Amendment #2, Table 3</p>

	IFB Section, Page	Question	Answer
		<p>AVERAGE infant formula allotment by baby age.</p> <p>b. For infants categorized as some breastfeeding, please provide the AVERAGE infant formula allotment by baby age.</p> <p>c. Please provide the percentage of infant formula food instruments/EBT benefits that were issued to participants but never redeemed in 2021 or whichever year the data is available.</p>	c. Please see Attachment A to Amendment #2, Table 4
c.	Appendix A- Bid Cover Sheet	<p>PayMode is described on page 35 of the IFB as being utilized for payment by or to state agencies for the disbursement of funds into the Contractor's bank account. As it pertains to an infant formula rebate contract, the Contractor will not be receiving payments from the State. Please verify that the appropriate answer for the PayMode question is "no" for vendors that would be paying infant formula rebates back to the State.</p>	Paymode will not be applicable regarding the resulting contract. However, the vendor should answer whether they are registered in Paymode.
d.	Appendix B - Online Bid Sheet	The columns for Total Cost and Percent Rebate need to be expanded to allow for a view of total values.	Columns expanded.
e.	Appendix C – Page 27	As mentioned in Question 72, PayMode is described on page 35 of the IFB as being utilized for payment by or to state	Registration in Paymode is not required for this contract.

	IFB Section, Page	Question	Answer
		agencies for the disbursement of funds into the Contractor's bank account. As it pertains to the rebated infant formula, the Contractor will not be receiving payments from the State and as a result will not need to be registered within PayMode. Please remove language from Appendix C stating that the Bidder needs to be registered within both systems (MAGIC and PayMode) or will do so within 7 business days of being awarded the contract in order to do business with the State of Mississippi.	
f.	Appendix D - Page 28	Please verify what award number or project number needs to be listed at the bottom of this form. Should the offeror include the RFx number for this IFB in the space provided?	The RFx number.
g.	Appendix F – Page 40	Concerning the portion under Statement of Work: please explain the State's intent regarding the last sentence of this section.	This section will be revised upon contract award. Winner bidder will be required to honor its bid sheet and otherwise perform in accordance with the IFB.

Please review, sign, and submit this Amendment with your proposal by the submission date.

Name	Title	Date
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**Infant Formula Rebate
AMENDMENT #2 Attachment A**

Table 1

**MS Supplier Rebate Summary 202202
Unduplicated Count of FI's Redeemed by WIC
Status**

Women	Infants	Children
0	13741	6

Table 2

Maximum Issuance for Mostly Breastfeeding/ Partially Breastfeeding					
Formula	Infants Partially or Mostly Breastfeeding 0-1 mo	Infants Partially or Mostly Breastfeeding 1-3 mo	Infants Partially or Mostly Breastfeeding 4-5 mo	Infants Partially or Mostly Breastfeeding 6-11 mo (w/ infant foods)	Infants Partially or Mostly Breastfeeding 6-11 mo (no infant foods)
Enfamil Infant powder	1	4	5	4	5
Enfamil Infant concentrate	0	14	17	12	17
Enfamil Prosobee powder	1	4	5	4	5
Enfamil Prosobee concentrate	0	14	17	12	17
Enfamil A.R.	1	4	5	4	5
Enfamil Gentlease	1	4	5	4	5

*****Please note for MS infants that are mostly breastfeeding is equivalent to partially breastfeeding.***

Table 3

Maximum Issuance for Some Breastfeeding/Minimally Breastfeeding					
Formula	Infants Minimally Breastfeeding or Some Breastfeeding 0-1 mo	Infants Minimally Breastfeeding or Some Breastfeeding 1-3 mo	Infants Minimally Breastfeeding or Some Breastfeeding 4-5 mo	Infants Minimally Breastfeeding or Some Breastfeeding 6-11 mo (w/ infant foods)	Infants Minimally Breastfeed or Some Breastfeeding 6-11 mo (no infant foods)
Enfamil Infant powder	9	9	10	7	10
Enfamil Infant concentrate	31	31	34	24	31
Enfamil Prosobee powder	9	9	10	7	10
Enfamil Prosobee concentrate	31	31	34	24	31
Enfamil A.R.	9	9	10	7	10
Enfamil Gentlease	9	9	10	7	10

***Please note for MS infants that are some breastfeeding is equivalent to minimally breastfeeding, which can receive up to the same amounts of formula as a fully formula fed infant.*

Table 4**eWIC Formula FI Percent Non-Redeemed by Month CY 2021**

ParticipationDate	FIs_Issued	FIs_Redeemed	%_NonRedeemed
202101	30	24	20.00%
202102	693	601	13.28%
202103	1656	1428	13.77%
202104	2785	2391	14.15%
202105	6753	5956	11.80%
202106	13327	11835	11.20%
202107	17788	15781	11.28%
202108	18918	16477	12.90%
202109	19337	16829	12.97%
202110	19354	17255	10.85%
202111	19307	17018	11.86%
202112	19192	17049	11.17%

Note: The food instrument (FI) was counted as non-redeemed if no items on the package had been redeemed. Partial redemption of a FI was counted in the FIs Redeemed column. These totals come from eWIC data only.